

## IRA APPLICATION INSTRUCTIONS

This section is designed to assist you in completing the IRA Application. Please note that an IRA Application is required for each type of IRA you wish to establish.

### 1. ACCOUNT REGISTRATION

Fill this section out completely.

### 2. TYPE OF IRA

**Traditional IRA<sup>1</sup>** - Individuals can make potentially tax-deductible contributions, based on their earned income. All contributions will accumulate tax deferred until withdrawn.

**Rollover IRA** - If you are about to receive a distribution from your employer's retirement plan, such as a 401(k) or 403(b) and want to directly roll over this distribution to a Franklin Templeton Rollover IRA, complete the IRA application and the Direct Rollover Request.

**Roth IRA<sup>1</sup>** - You may contribute to a Roth IRA if you are single and have an adjusted gross income (AGI) less than \$110,000 or file a joint return and have an AGI less than \$160,000.<sup>2</sup> Individuals can enjoy tax-free growth on their nondeductible contributions. Tax-free withdrawals are allowed on distributions made after the account has been open for at least five calendar years and certain conditions are met, such as the owner attaining age 59½ or using a distribution of up to \$10,000 for a first-time home purchase.

**Roth Conversion IRA** - Certain existing IRA investors may convert their Traditional IRA to a Roth Conversion IRA. Complete the IRA application and the Roth Conversion Request. Please note that this type of IRA is available for conversions only and not for additional contributions.

1. Contributions to an IRA are limited to the lesser of \$2,000 or 100% of earned income, per tax year. If contributing to both a Traditional IRA and a Roth IRA, the limit applies to the combined contribution amount. Contributions to a separate IRA may be made on behalf of a non-wage-earning spouse. The total amount to both spouses' IRAs cannot exceed \$4,000 or 100% of earned income, whichever is less.

2. The AGI amounts do not include taxable IRA distributions that are converted to a Roth.

## IRA APPLICATION INSTRUCTIONS

### 3. INVESTMENT CHOICES

Select the fund(s) you would like to invest in, the share class (only certain Franklin Templeton funds offer Class B and C shares), and the dollar amount or percentage you would like invested in each fund. Investment choices are listed on page 18.

### 4. TELEPHONE TRANSACTIONS

Franklin Templeton automatically extends telephone exchange and redemption privileges to you unless you elect to decline these privileges on the IRA application. These privileges are described in the prospectus of each fund you have chosen for your IRA.

### 5. INVESTMENT REPRESENTATIVE

If you have an investment representative, please ask him or her to complete this section.

### 6. REDUCED SALES CHARGE

Class A shares may be purchased at a reduced sales charge based on the total of (a) the dollar amount being invested, plus (b) the amount equal to the cost or current value (whichever is higher) of your combined Franklin Templeton Fund holdings and the holdings, if any, of your spouse, your children and grandchildren (under age 21).

You may also purchase Class A shares at a reduced sales charge by completing a Letter of Intent in which you agree to invest certain minimum amounts in Franklin Templeton funds during a 13-month period. The amount you agree to invest determines the sales charge you pay on Class A shares. Please refer to the

applicable fund prospectus for a more complete description of the Letter of Intent, including important terms and conditions, which are part of the Letter of Intent agreement.

For a more complete description of sales charge reductions and waivers, please refer to the applicable fund prospectus.

**Maintenance Fee** - An annual \$10 fee is charged per participant, per plan type, regardless of the number of funds chosen for the plan.\* The \$10 fee is charged for each full or partial year in which you maintain a Franklin Templeton IRA account. Participants have the option of paying the maintenance fee separately or having it automatically deducted from their account.

### 7. BENEFICIARY DESIGNATION

You may designate beneficiaries for each type of IRA custodial account you maintain with Franklin Templeton Bank & Trust. If you make a beneficiary designation on this application, the designation will apply to all investments (including any future investments) maintained in the custodial account opened with this application.

### 8. YOUR SIGNATURE

Please be sure to sign and date this section.

### 9. MAILING INSTRUCTIONS

Mail the application back to Franklin Templeton Bank & Trust.

\*The maintenance fee is \$20 if any portion of your IRA is invested in Franklin Templeton closed-end funds or RETs.

# FRANKLIN TEMPLETON IRA APPLICATION

Complete sections 1-8. For assistance, please refer to the IRA Application Instructions in the IRA Forms Booklet.

## 1. Account Registration (Please print or type)

Mr.  Mrs.  Ms.

Your Name \_\_\_\_\_ Social Security # \_\_\_\_ / \_\_\_\_ / \_\_\_\_  
first middle initial last

Street Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Date of Birth \_\_\_\_ / \_\_\_\_ / \_\_\_\_ Daytime Phone # ( \_\_\_\_ ) \_\_\_\_\_ Evening Phone # ( \_\_\_\_ ) \_\_\_\_\_

## 2. Type of IRA

Check one only:  Traditional IRA (\$2,000 limit)  Rollover IRA  Roth IRA (\$2,000 limit)  
 Roth Conversion IRA (conversion contributions only)

## 3. Investment Instructions

Please refer to the IRA Forms booklet for a complete list of investment choices. Please specify the exact fund name. The minimum initial investment for each fund is \$250 (\$50 for subsequent investments).

Please check applicable box(es):  Check is enclosed: Amount \$ \_\_\_\_\_ FOR \_\_\_\_\_ (TAX YEAR)  
 Investment pending (check one):  Transfer (YYYY)  
 Direct Rollover (to a Traditional IRA)  
 Conversion (to a Roth Conversion IRA)

Name of Fund <sup>1</sup>	Class (Check One) <sup>2</sup>	Amount or Percentage <sup>3</sup>
	A B C	
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	\$ _____ or _____ %
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	\$ _____ or _____ %
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	\$ _____ or _____ %
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	\$ _____ or _____ %
<b>Total</b>		\$ _____ or <b>100</b> %

1. Note to Class Z Mutual Series Fund shareholders as of 10/31/96: If you choose a Class Z Mutual Series Fund as one of your IRA investments, please write "Class Z" next to the fund name. Please also write in your existing Class Z Mutual Series Fund account number and the words "for reference only" next to it.
2. If not specified, investments will be made into Class A shares.
3. If not specified, investments will be divided equally among funds listed.

## 4. Telephone Transactions

TELEPHONE EXCHANGE AND REDEMPTION PRIVILEGES: If you do not check one or both of the boxes below, you automatically have the convenience of Telephone Exchange and Redemption Privileges. Review your prospectus for a discussion on these privileges.

- No, I do NOT want the TELEPHONE EXCHANGE PRIVILEGE.  
 No, I do NOT want the TELEPHONE REDEMPTION PRIVILEGE.

## 5. Investment Representative (To be completed by the representative, if any)

Representative \_\_\_\_\_ Name of Firm \_\_\_\_\_ Cantella & Co., Inc. \_\_\_\_\_  
 Address \_\_\_6 Colonial Drive \_\_\_\_\_ City \_\_\_Westborough\_\_\_\_\_ State \_\_\_MA\_\_\_ Zip \_\_\_01581\_\_\_\_\_  
 Rep.# \_\_\_\_\_ Dealer # \_\_\_\_\_ Branch \_\_\_0599\_\_\_\_\_ Rep. Daytime Phone # ( \_\_\_508\_\_\_ ) \_\_\_366-3606\_\_\_\_\_  
 Authorized Signature, Securities Dealer \_\_\_\_\_ Title \_\_\_Principal\_\_\_\_\_

ACCEPTED: Franklin Templeton Distributors, Inc. By \_\_\_\_\_ Date \_\_\_\_\_

# FRANKLIN TEMPLETON IRA APPLICATION

## 6. Beneficiary Designation

I designate the following as my beneficiary(ies).<sup>4</sup> (Please check Primary or Contingent for each designated beneficiary.<sup>5</sup> If neither box is checked, the named beneficiary will be considered a Primary beneficiary.)

Primary <input type="checkbox"/>	Contingent <input type="checkbox"/>	Name _____	Social Security _____ / _____ / _____
		Relationship _____	Date of Birth _____ Share _____ % <sup>6</sup>
		Address _____	
Primary <input type="checkbox"/>	Contingent <input type="checkbox"/>	Name _____	Social Security _____ / _____ / _____
		Relationship _____	Date of Birth _____ Share _____ % <sup>6</sup>
		Address _____	
Primary <input type="checkbox"/>	Contingent <input type="checkbox"/>	Name _____	Social Security _____ / _____ / _____
		Relationship _____	Date of Birth _____ Share _____ % <sup>6</sup>
		Address _____	

4. If designating a trust as a beneficiary, please provide a copy of the title, trustee and signature pages of the trust.

5. The Contingent beneficiary(ies) you designate shall be entitled to plan assets in the event no Primary beneficiary survives you.

6. Benefits shall be divided equally among Primary beneficiaries (or contingent beneficiaries), unless otherwise specified.

My beneficiary designation shall apply to all of my investments maintained in my IRA custodial account opened with this application. If I am married and designate a beneficiary other than my spouse, I understand that I should consult with my legal advisor regarding any interest (community property, marital property or otherwise) my spouse has or may have in this IRA and the effect of any such interest on this designation.

## 7. Reduced Sales Charges

### Cumulative Quantity Discount for Class A Shares

I, and certain related parties, own shares of the Franklin Templeton funds listed below and qualify for the discount in sales charges as described in the prospectus. My other account numbers are (please provide name of fund for each account number):

Account number(s) \_\_\_\_\_  
Fund Name(s) \_\_\_\_\_

### Letter of Intent (LOI) for Class A Shares

I intend to purchase additional Class A shares issued by one or more Franklin Templeton funds over a 13-month period following my initial purchase in order to be eligible for a sales charge discount. I agree to the terms of the Letter of Intent described in the applicable prospectus(es) and grant Franklin Templeton Distributors, Inc. a security interest in the shares to be reserved. Although I am not obligated to do so, the amount of Franklin Templeton funds' Class A shares I intend to purchase over the 13-month period will be in an aggregate amount at least equal to

\$50,000<sup>7</sup>     \$100,000<sup>8</sup>     \$250,000<sup>8</sup>     \$500,000     \$1,000,000 or above

Account number(s) \_\_\_\_\_  
Fund Name(s) \_\_\_\_\_

7. Not applicable for all funds    8. Not applicable for Franklin Balance Sheet Investment Fund

## 8. Authorizing Signature

Franklin Templeton Bank & Trust reserves the right to refuse to open an IRA without a Social Security Number (SSN). Failure to provide the SSN may result in backup withholding on payments relating to your account and/or in your inability to qualify for treaty withholding rates.

I hereby appoint Franklin Templeton Bank & Trust as Custodian of my IRA under the terms of the Franklin Templeton Individual Retirement Custodial Account Agreement (the "Agreement"). I have received, read and understand the Agreement, IRA Disclosure Statement and prospectus(es) for each Franklin Templeton Fund in which my IRA assets will be invested and agree to the terms therein. I hereby consent to the \$10 annual maintenance fee for the type of IRA custodial account opened by this application (the fee will be \$20 if any portion of my custodial account assets are invested in Franklin Templeton closed-end funds or REITs). I hereby certify under penalties of perjury that the information contained herein is true and complete, and that I have legal capacity and am of legal age to enter into this Agreement.

### Mutual funds, annuities, and other investment products:

- are not FDIC insured;
- are not deposits or obligations of, or guaranteed by, any financial institution;
- are subject to investment risks, including possible loss of the principal amount invested.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Please mail to: Franklin Templeton Bank & Trust, c/o Retirement Services

P.O. Box 33033  
St. Petersburg, FL 33733-8033

or  
P.O. Box 997153  
Sacramento, CA 95899-9974

1-800/527-2020

# FRANKLIN TEMPLETON IRA TRANSFER REQUEST

Please use this form when transferring an IRA you hold at another institution to a like plan with Franklin Templeton Bank & Trust (FTB&T) as Custodian. **You will also need to complete an IRA application if you have not already done so.** Please contact your current IRA custodian to determine whether any other form is necessary to complete your transfer.

Note: Only Roth IRA assets can be transferred to a Roth IRA. If you intend to convert a Traditional IRA to a Roth Conversion IRA, do not use this form. Instead, please use the "Franklin Templeton Roth Conversion Request" form.

## 1. Participant Information (Please print or type)

Your Name \_\_\_\_\_ Social Security # \_\_\_\_ / \_\_\_\_ / \_\_\_\_  
first middle initial last  
 Street Address \_\_\_\_\_  
 City, State, Zip \_\_\_\_\_  
 Date of Birth \_\_\_\_ / \_\_\_\_ / \_\_\_\_ Daytime Phone # ( \_\_\_\_ ) \_\_\_\_\_ Evening Phone # ( \_\_\_\_ ) \_\_\_\_\_

## 2. Transfer Instructions

Current IRA Custodian Name \_\_\_\_\_ Phone # ( \_\_\_\_ ) \_\_\_\_\_  
 Street Address \_\_\_\_\_  
 City, State, Zip \_\_\_\_\_

Type of IRA to be transferred (check one):     Traditional IRA     Rollover IRA     Roth IRA     Roth Conversion IRA

Name of Mutual Fund or Investment transferring from	Account Number	Amount to be transferred
_____	_____	<input type="checkbox"/> Balance <input type="checkbox"/> Partial: \$ _____ or _____ %
_____	_____	<input type="checkbox"/> Balance <input type="checkbox"/> Partial: \$ _____ or _____ %
_____	_____	<input type="checkbox"/> Balance <input type="checkbox"/> Partial: \$ _____ or _____ %

Note: All amounts to be transferred should be redeemed (liquidated) except for Franklin Templeton fund shares, which shall be transferred-in-kind.

Special Instructions for bank certificate of deposits (CDs):

Do not process this transfer request until my CDs mature (dates): (1) \_\_\_\_/\_\_\_\_/\_\_\_\_ (2) \_\_\_\_/\_\_\_\_/\_\_\_\_ (3) \_\_\_\_/\_\_\_\_/\_\_\_\_

## 3. Investment Instructions

Please refer to the IRA Forms Booklet for a complete list of investment choices. Please specify the exact fund name. The minimum initial investment for each fund is \$250 (\$50 for subsequent investments).

Name of Fund <sup>1</sup>	Class (Check One) <sup>2</sup> A B C	Account Number (if Available)	Amount or Percentage <sup>3</sup>
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		\$ _____ or _____ %
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		\$ _____ or _____ %
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		\$ _____ or _____ %
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		\$ _____ or _____ %

Total \$ \_\_\_\_\_ or **100** %

1. Note to Class Z Mutual Series Fund Shareholders as of 10/31/96: If you choose a Class Z Mutual Series Fund as one of your IRA investments, please write "Class Z" next to the fund name. Please also write in your existing Class Z Mutual Series Fund account number and the words "for reference only" next to it.
2. If not specified, investments will be made into Class A shares.
3. If not specified, investments will be divided equally among funds listed.

# FRANKLIN TEMPLETON IRA TRANSFER REQUEST

## 4. Authorizing Signature

Please accept this as your authorization to transfer the assets specified in Section 2 to Franklin Templeton Bank & Trust (FTB&T), as Custodian for my IRA described in Section 2. If any of the assets listed are currently invested in Franklin Templeton fund shares, I authorize that they be transferred-in-kind, not redeemed. I certify that none of the assets to be transferred include any minimum required distribution amounts under IRC Sec. 401(a)(9) for the current year.

Mutual funds, annuities, and other investment products:

- are not FDIC insured;
- are not deposits or obligations of, or guaranteed by, any financial institution;
- are subject to investment risks, including possible loss of the principal amount invested.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Signature Guarantee: (if required by the current custodian, not required by FTB&T)

If you have any questions, please contact:

Me  My Representative \_\_\_\_\_ Phone # (\_\_\_\_) \_\_\_\_\_

## 5. Franklin Templeton Bank & Trust's Acceptance

Franklin Templeton Bank & Trust (FTB&T) hereby accepts the transfer of assets as requested herein as Custodian for the type of IRA shown in Section 2 for benefit of the Participant. This acceptance extends only to cash and Franklin Templeton Fund shares. Please make the check(s) (if applicable) payable to "FTB&T CUST FOR (IRA type from Section 2) OF (Participant's name) - TRANSFER" and please mail the check(s) with a copy of this request to one of the addresses listed below.

Authorized Signature – Franklin Templeton Bank & Trust: \_\_\_\_\_



Crawford P. Cragun, President

Please mail to: Franklin Templeton Bank & Trust, c/o Retirement Services

P.O. Box 33033  
St. Petersburg, FL 33733-8033

or

P.O. Box 997153  
Sacramento, CA 95899-9974

1-800/527-2020

## FRANKLIN TEMPLETON IRA AUTOMATIC INVESTMENT PLAN

Franklin Templeton IRA Automatic Investment Plan (AIP) gives you the convenience of automatically contributing monthly to your Franklin Templeton IRA. Each month, the amount of your contribution will be used to purchase additional shares of one or more of the Franklin Templeton funds you have selected for your IRA. Franklin Templeton funds shares are purchased at the applicable offering price, as indicated in each fund's prospectus, calculated after receipt of funds from your bank. There is no additional charge for this service.

Your contributions will be credited to your IRA for the same year those contributions are applied to the purchase of Franklin Templeton fund shares. **Please be sure to monitor the amount of all your IRA custodial account contributions to avoid making an excess contribution.** For example, if you want to make your \$2,000 IRA contribution in twelve equal installments using the AIP, you should have no more than \$166.66 transferred each month to ensure you do not make an excess contribution.

Your monthly contribution will be made by electronic funds transfer (EFT) from your checking account. If your bank is not a member of an Automated Clearing House (ACH), we will prepare drafts (signed by us on your behalf) to draw against your bank account. Your signature on the reverse is the authorizing signature for each EFT transfer or check. This service is subject to the rules for your bank account, ACH and each fund whose shares you will purchase with your contributions. We may correct any transfer error by a debit or credit to your bank account and/or fund account.

You may sign up when you open your Franklin Templeton IRA or at any later time. If you sign up at the same time you select a Franklin Templeton

fund for all or any portion of each contribution, the selected fund's minimum initial investment (as described in that fund's prospectus) will be reduced to \$50. All you need to do is complete the application on the reverse and attach a voided unsigned check or deposit slip which shows your bank account number in magnetic coding. **Please allow up to six weeks for the AIP to begin.**

### CHANGING OR DISCONTINUING THE PLAN

When you advise Franklin Templeton Bank & Trust in writing to stop your AIP, no further investments will be processed until your written notice to reactivate it is received. Franklin Templeton will need to receive written notice to stop the AIP prior to an upcoming contribution date. Ten days' written notice is required if you are changing bank information (other than the dollar amount). If a check or EFT is returned to Franklin Templeton for any reason, including stop payment, insufficient funds or account closed, your AIP will be discontinued. Franklin Templeton may also change or terminate the service by written notice to you.

### EXCHANGES

Please provide Franklin Templeton Bank & Trust with instructions for handling your AIP contributions when, and if, you elect to exchange any of your IRA custodial fund shares to another Franklin Templeton fund.

# FRANKLIN TEMPLETON IRA AUTOMATIC INVESTMENT PLAN APPLICATION

*REVISION - Check this box only if you are revising an existing Franklin Templeton IRA Automatic Investment Plan. (Please give Franklin Templeton Bank & Trust ten days' written notice to change bank information other than the dollar amount.) An AIP Plan cannot be established for a Roth Conversion IRA.*

## Franklin Templeton IRA Automatic Investment Plan ("Plan") Application

I would like to establish a Plan for automatic contributions to my Franklin Templeton IRA Custodial Account. By signing the below instruction to my bank, I agree: (i) to the terms of the Plan as described on the reverse and in this application; (ii) to reimburse Franklin Templeton Bank & Trust (FTB&T) and its affiliates for any expenses or losses that they may incur in connection with the Plan if caused by my bank's failure to act in accordance with my requests under the Plan, and (iii) that if my bank makes any EFT transfers or payments under the Plan, or erroneously does so, after Fund shares have been purchased for my IRA custodial account, FTB&T may cause any such purchase to be canceled and charge my IRA custodial account for any related losses.

Name \_\_\_\_\_  
(Please print as shown on IRA account application.)

Address \_\_\_\_\_ Daytime Telephone (\_\_\_\_) \_\_\_\_\_

Bank's Name \_\_\_\_\_

Branch Address \_\_\_\_\_

Checking/Savings Account \_\_\_\_\_ ABA# \_\_\_\_\_  
(Also attach a voided check or deposit slip.)

Contribution Date: Please debit my Bank account on the first business day after (select one):  the 5th  the 20th of each month beginning \_\_\_\_\_ (month) and invest my monthly contribution as follows:

Amount <sup>1</sup>	Franklin Templeton Fund <sup>2</sup>	Account # (if known)
\$ _____	_____	_____
\$ _____	_____	_____
\$ _____	_____	_____
\$ _____	_____	_____

1. The minimum investment is \$50 for each fund.
2. By signing below, I also acknowledge that I have read a prospectus for each of the Franklin Templeton funds identified above.

Name(s) on Bank Account \_\_\_\_\_

**INSTRUCTIONS TO BANK** (must be signed by each person whose name appears on the records of the bank account identified above):  
I (We) authorize you to charge my (our) checking/savings account identified above and to make payable to Franklin Templeton Bank & Trust, upon receipt of instructions (whether by ACH or by draft) from FTB&T, as if each such instruction was signed personally by me (us). This authorization shall remain in effect until you or the Trust Company receive written notice from me (us) changing its terms or revoking it in full. Until you actually receive such a notice, I (we) agree that you shall be fully protected in paying on any instruction issued by the FTB&T.

**Mutual funds, annuities, and other investment products:**

- are not FDIC insured;
- are not deposits or obligations of, or guaranteed by, any financial institution;
- are subject to investment risks, including possible loss of the principal amount invested.

Bank Account Owner(s):

Signature \_\_\_\_\_ Date \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

Please mail to: Franklin Templeton Bank & Trust, c/o Retirement Services

P.O. Box 33033 or P.O. Box 997153  
St. Petersburg, FL 33733-8033 Sacramento, CA 95899-9974

1-800/527-2020

## MULTI-PLAN IRA APPLICATION INSTRUCTIONS

This section is designed to assist you in completing the **Multi-Plan IRA Application**. The **Multi-Plan IRA Application** is used when a participant would like to set up multiple IRA plans (of the same type) in order to designate a separate beneficiary for each plan. **Speak with your financial professional before completing this form.**

### 1. OWNERSHIP OF EACH IRA PLAN TO BE OPENED

Fill this section out completely.

### 2. TYPE OF IRA FOR EACH IRA PLAN TO BE OPENED

Select plan type (Traditional IRA, Rollover IRA, Roth IRA or Roth Conversion IRA).

Select the source of funds.

### 3. TELEPHONE TRANSACTIONS

Franklin Templeton automatically extends telephone exchange and redemption privileges to you unless you elect to decline these privileges on the IRA application. These privileges are described in each fund's prospectus.

### 4. INVESTMENT REPRESENTATIVE

If you have an investment representative, please ask him or her to complete this section.

### 5. INVESTMENT CHOICES

Select the fund(s) you would like to invest in, the share class (only certain Franklin Templeton funds offer Class B and C shares), and the dollar amount or percentage you would like invested in each fund. Investment choices are listed on page 18.

### 6. REDUCED SALES CHARGE – CLASS A SHARES

Class A shares may be purchased at a reduced sales charge based on the total of (a) the dollar amount being invested, plus (b) the amount equal to the cost or current value (whichever is higher) of your combined Franklin Templeton Fund holdings and the holdings, if any, of your spouse and your children or grandchildren (under age 21).

You may also purchase Class A shares at a reduced sales charge by completing a Letter of Intent in which you agree to invest a specific dollar amount in Franklin Templeton funds during a 13-month period. The amount you agree to invest determines the sales charge you pay on Class A shares. Please refer to the applicable fund prospectus for a more complete description of the Letter of Intent, including important terms and conditions, which are part of the Letter of Intent agreement.

For a more complete description of sales charge reductions and waivers, please refer to the appropriate fund prospectus.

### 7. IRA PLANS & DESIGNATED BENEFICIARIES

You may designate primary and contingent beneficiaries for EACH IRA Plan to be established.

For example:

**If your plan assets are invested in ONE Fund and you want 4 primary beneficiaries:**

- Complete beneficiary information for IRA Plan #01, 02, 03 & 04
- End Result = 4 separate retirement plan accounts will be established, with a separate beneficiary for each one.
  - IRA Plan #01, #02, #03 & #04
  - Appropriate beneficiary designation indicated on each IRA Plan
  - One plan investment fund x 4 primary beneficiaries = 4 separate retirement accounts

## MULTI-PLAN IRA APPLICATION INSTRUCTIONS

### If your plan assets are invested in *TWO Funds* and you want 3 primary beneficiaries:

- Complete beneficiary information for IRA Plan #01, 02, 03
- End Result = 6 separate retirement plan accounts will be established, two for each of your three beneficiaries
  - For Fund One – IRA Plan #01, 02, 03
  - Appropriate beneficiary designation indicated on each IRA Plan
  - For Fund Two – IRA Plan #01, 02, 03
  - Appropriate beneficiary designation indicated on each IRA Plan
  - Same beneficiary designations apply to Fund One & Fund Two
  - 2 plan investment funds x 3 primary beneficiaries = 6 separate retirement accounts

### If your plan assets are invested in *THREE Funds* and you want 5 primary beneficiaries:

- Complete beneficiary information for IRA Plan #01, 02, 03 & 04 and attach information for the fifth beneficiary on a separate sheet
- End Result = 15 separate retirement plan accounts will be established
  - For Fund One – IRA Plan #01, 02, 03, 04 & 05
  - Appropriate beneficiary designation indicated on each IRA Plan
  - For Fund Two – IRA Plan #01, 02, 03, 04 & 05
  - Appropriate beneficiary designation indicated on each IRA Plan
  - For Fund Three – IRA Plan #01, 02, 03, 04 & 05
  - Appropriate beneficiary designation indicated on each IRA Plan
  - Same beneficiary designations apply to Fund One, Two & Three
  - 3 plan investment funds x 5 primary beneficiaries = 15 separate retirement accounts

### Summary

- Number of Primary Beneficiaries = Number of separate IRA plans established
- Number of Funds in which plan assets invested x Number of Plans = Number of separate IRA Plans established
- Unless specified, assets will be divided equally among the IRA Plans established and among the accounts opened under each plan.  
Exception: As the Participant, you may provide special allocation instructions in writing, which must be attached to the Multi-Plan IRA Application.
- You may open up to 10 separate plans by designating up to 10 primary beneficiaries.

## 8. PARTICIPANT'S SIGNATURE

Please be sure to sign and date this section.

## 9. MAILING INSTRUCTIONS

Mail the Multi-Plan IRA Application back to Franklin Templeton Bank & Trust.

# FRANKLIN TEMPLETON MULTI-PLAN IRA APPLICATION

You may use this application only if you would like to set up multiple IRA plans, each having a different beneficiary. (This application may not be used for any employer-sponsored plan.) Speak with your financial professional before completing this form.

## 1. Ownership of Each IRA Plan to be Opened (Please print or type)

Your Name \_\_\_\_\_ Social Security # \_\_\_\_\_  
first middle initial last  
 Street Address \_\_\_\_\_  
 City, State, Zip \_\_\_\_\_  
 Daytime Phone (\_\_\_\_\_) \_\_\_\_\_ Evening Phone (\_\_\_\_\_) \_\_\_\_\_ Date of Birth \_\_\_\_/\_\_\_\_/\_\_\_\_  
MM DD YYYY

## 2. Type of IRA for Each IRA Plan to be Opened

Plan Type: [Check one]  Traditional IRA (\$2,000 annual limit)  Rollover IRA  Roth IRA (\$2,000 annual limit)  Roth Conversion IRA

Source of Funds:  Transfer of new assets (from same type of IRA)  Direct Rollover from an Employer Plan (to a Rollover IRA)  
 Conversion (to a Roth Conversion IRA)  Transfer of existing Franklin Templeton IRA assets:  
 Contribution of \$\_\_\_\_\_ for Tax Year \_\_\_\_\_ Fund # & Acct. #: \_\_\_\_\_  
 Rollover check (for \$\_\_\_\_\_ ) enclosed Fund # & Acct. #: \_\_\_\_\_

## 3. Telephone Transactions

TELEPHONE EXCHANGE AND REDEMPTION PRIVILEGES: If you do not check one or both of the boxes below, you automatically have the convenience of Telephone Exchange and Redemption Privileges. Review your prospectus for a discussion of these privileges.

No, I do NOT want the TELEPHONE EXCHANGE PRIVILEGE  No, I do NOT want the REDEMPTION PRIVILEGE

## 4. Investment Representative (to be completed by the investment representative, if any)

Representative \_\_\_\_\_ Name of Firm \_\_\_\_\_  
 Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
 Rep.# \_\_\_\_\_ Dealer # \_\_\_\_\_ Branch \_\_\_\_\_ Rep. Daytime Phone # (\_\_\_\_\_) \_\_\_\_\_  
 Authorized Signature, Securities Dealer \_\_\_\_\_ Title \_\_\_\_\_

### Franklin Templeton Use Only

Dealer #  ACCEPTED: Franklin Templeton Distributors, Inc. By \_\_\_\_\_ Date \_\_\_\_\_

## 5. Investment Choices

Your selections below will apply to all IRA plans established with this application and the amount invested will be distributed equally among all IRA plans, unless you instruct otherwise in writing. The minimum initial investment is \$250 for every fund account opened under each IRA plan. For example, if you are establishing three IRA plans, the minimum investment per fund would be \$250 x 3 plans for a total amount of \$750.

Fund #	Name of Fund	Fund Class (Check One)	Amount or Percent <sup>1</sup>
		A B C	
		<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	\$ _____ or _____ %
		<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	\$ _____ or _____ %
		<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	\$ _____ or _____ %
<b>Total</b>			\$ _____ or <b>100</b> %

1. If not specified, investment will be allocated equally among funds selected.

## 6. Reduced Sales Charge – Class A Shares

Cumulative Quantity Discount: I own shares of the Franklin Templeton Funds listed below and qualify for the discount in sales charges, as described in the prospectus.

Account number(s) \_\_\_\_\_

Letter of Intent<sup>2</sup>: In order to be eligible for a sales charge discount, I intend to invest over a 13-month period an aggregate amount at least equal to:  \$50,000  \$100,000  \$250,000  \$500,000  \$1,000,000 or more

I agree to the terms of the letter of intent described in the applicable prospectus and grant Franklin Templeton Distributors, Inc. a security interest in the shares to be reserved.

2. Please see the appropriate prospectus and Statement of Additional Information for details. Threshold may vary for certain Franklin Templeton funds.

Mutual funds, annuities, and other investment products:  
 • are not FDIC insured;  
 • are not deposits or obligations of, or guaranteed by, any financial institution;  
 • are subject to investment risks, including possible loss of the principal amount invested.

## 7. IRA Plans & Designated Beneficiaries

Your IRA assets/investments indicated in Section 5 (reverse side) will be divided equally among the separate IRA Plans established under this application unless you specify otherwise. If you're attaching special allocation instructions to this application, please check this box:

<p><b>IRA Plan #01:</b> For IRA Plan #01, I designate the following as my <b>Primary Beneficiary</b>:</p> <p>Name _____ Relationship _____ Soc.Sec. # ____/____/____ Birth date ____/____/____</p> <p>Address: _____ Street Address City State Zip</p> <p><b>Contingent beneficiary (who will be entitled to assets in IRA Plan #01 if my Primary Beneficiary pre-deceases me):</b></p> <p>Name _____ Relationship _____ Soc.Sec. # ____/____/____ Birth date ____/____/____</p> <p>Address: _____ Street Address City State Zip</p>
<p><b>IRA Plan #02:</b> For IRA Plan #02, I designate the following as my <b>Primary Beneficiary</b>:</p> <p>Name _____ Relationship _____ Soc.Sec. # ____/____/____ Birth date ____/____/____</p> <p>Address: _____ Street Address City State Zip</p> <p><b>Contingent beneficiary (who will be entitled to assets in IRA Plan #02 if my Primary Beneficiary pre-deceases me):</b></p> <p>Name _____ Relationship _____ Soc.Sec. # ____/____/____ Birth date ____/____/____</p> <p>Address: _____ Street Address City State Zip</p>
<p><b>IRA Plan #03:</b> For IRA Plan #03, I designate the following as my <b>Primary Beneficiary</b>:</p> <p>Name _____ Relationship _____ Soc.Sec. # ____/____/____ Birth date ____/____/____</p> <p>Address: _____ Street Address City State Zip</p> <p><b>Contingent beneficiary (who will be entitled to assets in IRA Plan #03 if my Primary Beneficiary pre-deceases me):</b></p> <p>Name _____ Relationship _____ Soc.Sec. # ____/____/____ Birth date ____/____/____</p> <p>Address: _____ Street Address City State Zip</p>
<p><b>IRA Plan #04:</b> For IRA Plan #04, I designate the following as my <b>Primary Beneficiary</b>:</p> <p>Name _____ Relationship _____ Soc.Sec. # ____/____/____ Birth date ____/____/____</p> <p>Address: _____ Street Address City State Zip</p> <p><b>Contingent beneficiary (who will be entitled to assets in IRA Plan #04 if my Primary Beneficiary pre-deceases me):</b></p> <p>Name _____ Relationship _____ Soc.Sec. # ____/____/____ Birth date ____/____/____</p> <p>Address: _____ Street Address City State Zip</p>

If I'm married and designate a beneficiary other than my spouse, I understand that I should consult with my legal advisor regarding any interest (community property, marital property or otherwise) my spouse has or may have in this IRA and the effect of any such interest on this designation.

## 8. Participant's Signature

I hereby appoint Franklin Templeton Bank & Trust (FTB&T) as Custodian of each IRA Plan established by this application under the terms of the Franklin Templeton IRA Custodial Account Agreement (the "Agreement"). I have received, read and understand the Agreement, IRA Disclosure Statement and prospectus(es) for each (open-end) Franklin Templeton Fund in which my IRA assets will be invested and agree to the terms therein.

I hereby consent to the annual maintenance fee of \$10 for each IRA Plan opened by this application. I hereby certify that the information contained herein is true and complete, that I have legal capacity and am of legal age to enter into this Agreement.

Signature \_\_\_\_\_ Date \_\_\_\_\_

FTB&T reserves the right to refuse to open an IRA without a Social Security Number (SSN). Failure to provide the SSN may result in backup withholding on payments relating to your account and/or in your inability to qualify for treaty withholding rates.

Mail this application to: Franklin Templeton Bank & Trust, c/o Retirement Services,  
P.O. Box 33033, St. Petersburg, FL 33733-8033

# ROTH INDIVIDUAL RETIREMENT CUSTODIAL ACCOUNT

Form <b>5305-RA</b> (January 1998) Department of the Treasury Internal Revenue Service	<b>FRANKLIN TEMPLETON</b> <b>Roth Individual Retirement Custodial Account</b> Under Section 408(a) of the Internal Revenue Code	DO NOT File with Internal Revenue Service
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**NEW AGREEMENT**    **AMENDMENT**

This Agreement is entered into on the date listed next to the signature(s) on the Application by and between the person(s) (each such person being hereinafter referred to separately as "Depositor") and the Custodian listed on the Application. The Custodian's principal place of business is listed on the Disclosure Statement provided to the Depositor by the Custodian as required under Regulations Section 1.408-6.

The Depositor is establishing a Roth individual retirement account (Roth IRA) under Section 408A to provide for his retirement and for the support of his beneficiaries after death. The Depositor has deposited with the Custodian the sum listed on the Application in cash.

The Depositor and the Custodian make the following agreement:

### Article I

1. If this Roth IRA is not designated as a Roth Conversion IRA, then, except in the case of a rollover contribution described in Section 408A(e), the Custodian will accept only cash contributions and only up to a maximum amount of \$2,000 for any tax year of the Depositor.
2. If this Roth IRA is designated as a Roth Conversion IRA, no contributions other than IRA Conversion Contributions made during the same tax year will be accepted.

### Article II

The \$2,000 limit described in Article I is gradually reduced to \$0 between certain levels of adjusted gross income (AGI). For a single depositor, the \$2,000 annual contribution is phased out between AGI of \$95,000 and \$110,000; for a married depositor who files jointly, between AGI of \$150,000 and \$160,000; and for a married depositor who files separately, between \$0 and \$10,000. In the case of a conversion, the Custodian will not accept IRA Conversion Contributions in a tax year if the Depositor's AGI for that tax year exceeds \$100,000 or if the Depositor is married and files a separate return. Adjusted gross income is defined in Section 408A(c)(3) and does not include IRA Conversion Contributions.

### Article III

The Depositor's interest in the balance in the custodial account is nonforfeitable.

### Article IV

1. No part of the custodial funds may be invested in life insurance contracts, nor may the assets of the custodial account be commingled with other property except in a common trust fund or common investment fund [within the meaning of Section 408(a)(5)].
2. No part of the custodial funds may be invested in collectibles [within the meaning of Section 408(m)] except as otherwise permitted by Section 408(m)(3), which provides an exception for certain gold, silver, and platinum coins, coins issued under the laws of any state, and certain bullion.

### Article V

1. If the Depositor dies before his entire interest is distributed to him and the Depositor's surviving spouse is not the sole beneficiary, the entire remaining interest will, at the election of the Depositor or, if the Depositor has not so elected, at the election of the beneficiary or beneficiaries, either:

(a) be distributed by December 31 of the year containing the fifth anniversary of the Depositor's death, or

(b) be distributed over the life expectancy of the designated beneficiary starting no later than December 31 of the year following the year of the Depositor's death.

If distributions do not begin by the date described in (b), distribution method (a) will apply.

2. In the case of distribution method 1(b) above, to determine the minimum annual payment for each year, divide the Depositor's entire interest in the custodial account as of the close of business on December 31 of the preceding year by the life expectancy of the designated beneficiary using the attained age of the designated beneficiary as of the beneficiary's birthday in the year distributions are required to commence and subtract 1 for each subsequent year.

3. If the Depositor's spouse is the sole beneficiary on the Depositor's date of death, such spouse will then be treated as the Depositor.

### Article VI

1. The Depositor agrees to provide the Custodian with information necessary for the Custodian to prepare any reports required under Sections 408(1) and 408A(d)(3)(E), Regulations Sections 1.408-5 and 1.408-6, and under guidance published by the Internal Revenue Service.

2. The Custodian agrees to submit reports to the Internal Revenue Service and the Depositor prescribed by the Internal Revenue Service.

### Article VII

Notwithstanding any other articles which may be added or incorporated, the provisions of Articles I through IV and this sentence will be controlling. Any additional articles that are not consistent with Section 408A, the related regulations, and other published guidance will be invalid.

### Article VIII

This Agreement will be amended from time to time to comply with the provisions of the Code, related regulations, and other published guidance. Other amendments may be made with the consent of the persons whose signatures appear below.

## ROTH INDIVIDUAL RETIREMENT CUSTODIAL ACCOUNT

### Article IX

1. The Custodian shall invest each custodial account contribution as directed by the Depositor. The amount of each contribution to be invested in Franklin Templeton Funds shall be applied to the purchase of full and fractional shares issued by the Franklin Templeton Fund(s) selected by Depositor.

For purposes of this IRA custodial account Agreement only, the terms “Franklin Templeton Fund” or “Fund” shall mean either an investment company or series of an investment company (a “mutual fund”) whose shares are distributed by Franklin Templeton Distributors, Inc. or a closed-end mutual fund or real estate investment trust (REIT) which is advised by an affiliate of Franklin Templeton Distributors, Inc.

2. The Depositor has the sole authority and discretion to select and direct the investments in this custodial account and accepts full and sole responsibility for any investment selection that is made. Notwithstanding any other provisions of this Article, the Custodian reserves the right to refuse to follow any investment direction, which the Custodian determines would violate Section 408. A designation by the Depositor of an investment as a rollover contribution shall be deemed irrevocable, and such investment shall be deemed to meet the eligible rollover requirements of the Code.

3. All dividends and capital gains distributions received on shares of a Franklin Templeton Fund held in the custodial account shall be reinvested in additional shares of the same Fund unless the Depositor (or Beneficiary, if applicable) affirmatively elects otherwise.

4. The Custodian shall forward to the Depositor (or Beneficiary, if applicable) any notices, prospectuses, financial statements, proxies and proxy soliciting materials relating to any custodial account assets. The Custodian shall not vote any such proxies except in accordance with the written instructions of the Depositor (or Beneficiary).

5. Any income taxes or other taxes of any kind that may be levied or assessed upon the custodial account, any administrative expenses incurred by the Custodian in the performance of its duties, including fees for legal services rendered to the Custodian, and the maintenance fees to the Custodian as set forth in paragraph 6 of this Article, shall be paid from assets of the custodial account in such manner as the Custodian may determine.

6. The Custodian shall charge an annual custodial maintenance fee, as specified on the Application, per beneficial owner. The Custodian shall deduct the maintenance fee from any Fund Account during or immediately preceding each calendar year, at the time of the initial investment, or at the time the Depositor (or Beneficiary, if applicable) redeems an amount from the custodial account which causes the custodial account balance to be less than the maintenance fee. The Depositor (or Beneficiary) may pay this fee separately by check only if payment is received before the fee is scheduled to be deducted from the custodial account.

7. “Beneficiary” shall mean the person or persons (including a trust or estate) designated as such by the Depositor or, following the death of the Depositor, designated as such by a Beneficiary (each person making such beneficiary designation is referred to as a “Designator”). Such designation shall be (a) in writing on a form provided by the Custodian for such purpose, or in such other written format acceptable to the Custodian, (b) signed by each Designator and (c) received by the Custodian prior to the Designator’s death. The Custodian may rely upon the last written designation received at the Custodian’s office which shall revoke all prior designations and such designation shall apply to all custodial account assets, including each Fund Account opened and maintained in this custodial account. Unless indicated otherwise on the application or designation form, if any primary or contingent beneficiary dies before the Designator, the interest attributable to such beneficiary and to his heirs shall terminate completely and the percentage share of any remaining beneficiary(ies) shall be increased on a pro rata basis. If none of the Designator’s primary beneficiaries survive him, the interest in his IRA shall pass to his contingent beneficiary(ies), if named. If no designated beneficiary survives the Designator or if no ascertainable beneficiary is designated, the Designator’s IRA beneficiary shall be his spouse or, if he has no surviving spouse, his estate. A Beneficiary (other than a minor or otherwise under a legal disability, as addressed in

section 8 of this Article) with a present interest shall have sole authority and investment discretion with respect to the portion of the custodial account to which he is entitled and accept full and sole responsibility for any investment selection that is made.

8. If upon the death of the Depositor (or Beneficiary) the custodial account is payable to a person known by the Custodian to be a minor or otherwise under a legal disability, the Custodian may, in its absolute discretion, make all, or any part of the distribution to (a) a parent of such person, (b) the guardian, conservator, or other legal representative, wherever appointed, of such person, (c) a custodial account established under a Uniform Gifts to Minors, Uniform Transfers to Minors Act, or similar act, (d) any person having control or custody of such person, or (e) to such person directly.

9. The Custodian will keep records of all receipts, investments, disbursements, and other transactions for this custodial account and for each Fund Account. As soon as is practicable after the close of each calendar year, and whenever required by the Code, the Custodian shall deliver to the Depositor (or Beneficiary, if applicable) a written report(s) reflecting all activity in the custodial account during the prior calendar year and the fair market value of the custodial account. Upon the expiration of sixty (60) days after the Custodian has furnished such written report(s) to the Depositor (or Beneficiary), the Custodian shall be released and discharged from all liability and accountability with respect to any such acts or transactions except those to which the Depositor (or Beneficiary), has filed written objections with the Custodian within the sixty (60) day period after the calendar year.

10. Any notice or statement sent by the Custodian to the Depositor (or Beneficiary, if applicable) shall be effective if sent by mail to him at his last address of record.

11. The Custodian shall have the right to amend this Agreement in any manner it deems necessary or advisable in order to qualify (or maintain qualifications of) this Agreement under the applicable provisions of the Code or to maintain proper and desirable operation of this custodial account. Any such amendment shall be effected by delivery to the Depositor (or Beneficiary, if applicable) of a restatement of this Agreement including any such amendment. The Depositor (or Beneficiary) shall be deemed to consent to any such amendment(s) if he fails to object thereto by written notice received by the Custodian within fifteen (15) calendar days from the date of the Custodian’s mailing to the Depositor (or Beneficiary) a copy of such amendment(s) or restatement.

12. The Depositor shall have the right to terminate this custodial account or to remove the Custodian upon thirty (30) days prior written notice to the Custodian, which notice shall include instructions regarding the final distribution or transfer of all custodial account assets. If the Depositor fails to provide such distribution or transfer instructions, the Custodian may terminate this custodial account by distributing all custodial account assets (less amounts required to satisfy unpaid fees, costs, expenses and obligations) directly to the Depositor.

13. The Custodian shall have the right to resign as custodian under this Agreement upon thirty (30) days prior written notice to the Depositor (or Beneficiary, if applicable). Unless the Depositor (or Beneficiary) provides written instructions to the contrary, the Custodian shall have the right to appoint and transfer the custodial account assets (less amounts required to satisfy unpaid fees, costs, expenses, and obligations), together with copies of relevant books and records, to a successor custodian. A successor custodian shall satisfy the requirements of Section 408(a)(2). The Custodian is not liable for the acts or omissions of any successor custodian.

14. The Custodian is authorized to perform all acts necessary to carry out the terms of this Agreement and to hire an agent to perform certain of its duties hereunder, which agent may be the Transfer Agent for the Fund (if such transfer agent is other than the Custodian).

15. Distribution requests that are received by the Custodian in good order will be made to the Depositor, his beneficiary (if appropriate), or a successor custodian, normally within five (5) business days. To be in good order, distribution requests must meet the IRA distribution requirements of the Custodian. The Custodian reserves the right to change these requirements at any time without prior notice to the Depositor (or Beneficiary, if applicable).

## ROTH INDIVIDUAL RETIREMENT CUSTODIAL ACCOUNT

16. The Custodian may transfer custodial account assets to a successor custodian named by the Depositor (or Beneficiary, if applicable) in reliance on, and without any duty of investigation, receipt of a letter of acceptance signed by an individual claiming to be an authorized officer or principal of the successor custodian. The Depositor (or Beneficiary) shall be responsible for satisfying the minimum distribution rules in Section 408(a)(6), if applicable, prior to such transfer. Furthermore, if a Beneficiary is requesting the transfer, such Beneficiary shall be solely responsible for ensuring that the transfer is made to an IRA registered in the Depositor's name in order to maintain the tax-deferred status of the IRA.

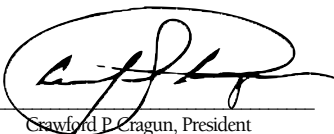
17. The Custodian does not assume any responsibility to make any distribution unless and until the Depositor (or Beneficiary, if applicable) specifies in a manner acceptable to the Custodian. Furthermore, the Custodian shall not be responsible to make minimum distributions other than upon the Depositor's or Beneficiary's, as applicable, expressed written instructions as herein provided.

18. The terms and conditions of this Agreement shall be applicable without regard to the community property laws of any state.

19. This Agreement shall be construed under the laws of the State of California, and shall become effective upon acceptance by the Custodian as evidenced by receipt of a confirmation statement from the Custodian.

20. IN WITNESS WHEREOF, the acceptance of this Agreement by the Depositor is indicated by the Depositor's signature in the Custodian's Application, and the Custodian, to evidence acceptance of this Agreement, has signed the Agreement as written below.

FRANKLIN TEMPLETON BANK & TRUST, ES.B., Custodian

By:   
Crawford P. Cragun, President

Authorized Signature

### General Instructions

(Section references are to the Internal Revenue Code unless otherwise noted.)

**Purpose of Form** - Form 5305-RA is a model custodial account agreement that meets the requirements of Section 408A and has been automatically approved by the IRS. A Roth individual retirement account (Roth IRA) is established after the form is fully executed by both the individual (Depositor) and the Custodian.

This account must be created in the United States for the exclusive benefit of the Depositor or his beneficiaries.

Do not file Form 5305-RA with the IRS. Instead, keep it for your records.

### Definitions

**Roth Conversion IRA** - A Roth Conversion IRA is a Roth IRA that accepts only IRA Conversion Contributions made during the same tax year.

**IRA Conversion Contributions** - IRA Conversion Contributions are amounts rolled over, transferred, or considered transferred from a non-Roth IRA to a Roth IRA. A non-Roth IRA is an individual retirement account or annuity described in Section 408(a) or 408(b), other than a Roth IRA.

**Custodian** - The Custodian must be a bank or savings and loan association, as defined in Section 408(n), or any person who has the approval of the Internal Revenue Service to act as custodian.

**Depositor** - The Depositor is the person who establishes the custodial account.

### Specific Instructions

**Article I.** The Depositor may be subject to a 6 percent tax on excess contributions if (1) contributions to other individual retirement arrangements of the Depositor have been made for the same tax year, (2) the Depositor's adjusted gross income exceeds the applicable limits in Article II for the tax year, or (3) the Depositor's and spouse's compensation does not exceed the amount contributed for them for the tax year. The Depositor should see the disclosure statement or IRS Pub. 590 for more information.

**Article IX.** Contained herein are additional provisions that are agreed upon by the Depositor and the Custodian to complete the Agreement. These include, for example, investment powers, beneficiary designations, Custodian's fee, Depositor's responsibilities, amendment and termination, and applicable State law.

## ROTH IRA DISCLOSURE STATEMENT

The following information is provided to you in accordance with the requirements of the Internal Revenue Code (the "Code") and should be reviewed in conjunction with both the Custodial Agreement and the Application for your Roth Individual Retirement Account ("Roth IRA"). Your Roth IRA is a tax-deferred custodial account, created for your exclusive benefit, and amounts held in it are generally not taxed. Your interest in your Roth IRA is at all times nonforfeitable.

### Right to Revoke

You may revoke this custodial account at any time within seven (7) calendar days after it is established by mailing or delivering a written request [including your name, Social Security Number, and the name(s) of your investment option(s)] for revocation to the Custodian, **Franklin Templeton Bank & Trust**, at: 1400 Fashion Island Blvd., Suite 602, San Mateo, CA 94404 [Phone: (650) 312-2372 / (800) 524-3030].

### Roth IRA Contributions

**Contributions.** You may be eligible to make an annual contribution into a Roth IRA of \$2,000 (reduced by any contributions to a regular IRA) or 100% of your compensation, whichever is less. If you file a joint tax return and your spouse earns less than \$2,000, you may be able to set up two Roth IRAs — one for yourself, and one for your spouse. You can contribute then lesser of (1) \$4,000 or (2) 100% of your combined compensation between the two Roth IRAs, so long as no more than \$2,000 is contributed to either IRA. Compensation includes such items as salaries, bonuses, commissions, and, in the case of a self-employed individual, net earnings from self-employment. All taxable alimony and separate maintenance payments received by an individual under a divorce decree or a separate maintenance agreement are also treated as compensation.

Roth IRA contributions are not permitted if you are single and your adjusted gross income ("AGI") is in excess of \$110,000, or if you are married, file a joint return and your AGI is in excess of \$160,000. Partial contributions can be made if you are single and your AGI is between \$95,000 and \$110,000, or if you are married, file a joint return, and your AGI is between \$150,000 and \$160,000. You are not allowed to contribute to a Roth IRA if you are married but file a separate return.

**Conversions.** A Roth IRA can also be established by converting your Traditional IRA into a Roth IRA. Roth IRAs established by conversion are registered as Roth Conversion IRAs. A conversion is a distribution from a Traditional IRA which is rolled over into a Roth IRA. The amount that is converted, not including any nondeductible contributions, is taxed to you in the calendar year of conversion (conversion amounts are not subject to the 10% early withdrawal penalty). Conversions made in 1998 are taxed to you over a four-year period, starting with the year of conversion, by adding one-fourth (1/4) of the taxable conversion amount to your AGI each year (this is commonly referred to as the "four year spread"). Conversions cannot be made if your AGI is on excess of \$100,000 (whether filing single or joint), or you are married and file separately.

**Rollovers.** Distributions from another Roth IRA may be rolled over into your Roth IRA. You will have 60 days after you receive your distribution to roll it over. Only one rollover can be made into your Roth IRA during any 12-month period (this restriction does not apply to conversions).

### Excess Contributions

Contributions which exceed the allowable maximum limits per year are considered excess contributions. A nondeductible penalty tax of 6% of the excess amount contributed will be incurred for each year in which the excess remains in your Roth IRA. Although the excess contribution withdrawn is not taxable, the earnings will be included as income for the tax year the excess was made and may be subject to a 10% premature penalty tax if you are under age 59½. After your tax filing deadline, only Roth IRA contributions in excess of the "lesser of 100% of compensation or \$2,000 (\$4,000 for Spousal Roth IRAs)" limit may be withdrawn. Provided that the total IRA contribution you made for the year did not exceed \$4,000, the amount of any excess contribution withdrawn will not be considered a premature distribution nor be taxed as ordinary income.

### Time of Contributions

Contributions to your Roth IRA may be made any time up to and including the due date for filing your tax return for the year (not including extensions).

### Deductibility of Roth IRA Contributions

Contributions to a Roth IRA or conversions to a Roth Conversion IRA are not deductible.

### Roth IRA Distributions

Distributions from your Roth IRA or Roth Conversion IRA are not taxable to you if you meet the following two requirements: first, your Roth IRA or Roth Conversion IRA has been established for at least five calendar years (the five-year period begins on January 1 of the first calendar year in which the contribution or conversion was made); and second, you are at least 59½, are permanently disabled or have died, or are using the distribution in a manner that meets the "first-time homebuyer" exception under Section 72(t)(2)(F) of the Code. Under the first-time homebuyer exception, up to \$10,000 may be distributed to acquire, construct, or reconstruct a principal residence, and the \$10,000 limit is a lifetime exception. Distributions which do not meet both of the two above requirements are potentially subject to ordinary income tax and a 10% premature penalty tax, and are considered to first come from contributions, amounts converted and then earnings. Distributions made within five calendar years of the establishment of the Roth Conversion IRA may also be subject to a 10% premature penalty tax, and distributions made before the last year of the "four year spread" may accelerate the payment of taxes under the "four year spread." When you are ready to take a distribution, please contact Franklin Templeton Bank & Trust to obtain current information regarding distribution procedures and any forms you may need.

**Exceptions to Early Withdrawal Penalty.** If you are taking a distribution from your Roth IRA or Roth Conversion IRA which is subject to the 10% early withdrawal penalty tax, the following circumstances are the exceptions to this penalty tax: (i) death, permanent disability; distributions "rolled over" within 60 days of receipt or timely removal of an excess contribution; (ii) distributions in the form of substantially equal periodic payments (not less frequently than annually) over your life expectancy (or the joint life expectancies of you and your beneficiary) made in accordance with Section 72(t) of the Code; (iii) deductible medical expenses; (iv) medical insurance payments for recipients of unemployment compensation for at least 12 consecutive weeks; (v) higher education expenses for you, your spouse, your child or grandchild; or (vi) expenses related to the purchase of your first principal residence in two years (\$10,000 lifetime cap).

## ROTH IRA DISCLOSURE STATEMENT

### Minimum Distribution Requirements After Death

**At Death.** Your beneficiary will be required to take a total distribution from your Roth IRA within five years after your death. However, the five-year rule does not apply if distributions begin within one year after your death and are made to your beneficiary over his life expectancy. If your spouse is your beneficiary, distributions are not required until the time you would have attained age 70½.

**Inherited Roth IRAs.** If your beneficiary is your surviving spouse, he may elect to treat your entire interest in the Roth IRA as his own Roth IRA, subject to the Traditional IRA distribution requirements.

**Under-distribution Penalty.** If any amount distributed to your beneficiary in any year is less than the amount required to be distributed, your beneficiary will be subject to a federal excise tax equal to 50% of any such deficiency.

### Federal Estate and Gift Taxes

Amounts payable to your spouse as beneficiary of your Roth IRA may qualify for the estate tax marital deduction. An election under a Roth IRA to have a distribution payable to your beneficiary on your death will not be treated as a gift subject to federal gift tax as long as you are able to change your beneficiary.

### Prohibited Transactions and Loans

If you or your beneficiary engage in a “prohibited transaction” as described in the Code, which includes borrowing from your Roth IRA or pledging your Roth IRA as security for a loan, your Roth IRA will lose its tax exemption. In that event, you will be taxed on the full market value of the assets in the custodial account on the first day of the year in which the prohibited transaction occurred, and you will also be subject to a 10% penalty tax if you are under age 59½ and not permanently disabled.

### Filing With the IRS

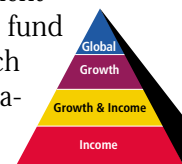
Contributions to your Roth IRA must be reported on your tax return (Form 1040 or 1040A) for the taxable year contributed. You (or your beneficiary) may be required to file Form 5329 if any of the federal penalty taxes (due to excess contributions, premature distributions, or under-distributions) apply or an exception to the early withdrawal penalty tax applies.

### IRS Approval

The form of your Individual Retirement Account has been approved by the Internal Revenue Service. The approval is a determination only as to the form and does not represent a determination of the merits of the custodial account. Further information concerning Roth IRAs can be obtained from any district office of the Internal Revenue Service. In particular, please obtain a copy of IRS Publication 590, Individual Retirement Arrangements (IRAs).

## INVESTMENT CHOICES

Franklin Templeton offers a broad selection of funds covering a wide range of investment goals to help meet the needs of conservative, moderate and aggressive investors. Each fund is actively managed and has its own investment style. For more information about each fund you're considering, please obtain a prospectus containing more complete information, including sales charges, expenses and risks from your investment representative or from Franklin Templeton at 1-800/DIAL BEN® (1-800/342-5236). Please read it carefully before you invest or send money.



### Global Growth

Class			Name of Fund
A	B	C	
✓	✓	✓	Franklin Global Aggressive Growth Fund
✓	✓	✓	Franklin Global Growth Fund
✓	✓	✓	Franklin Global Health Care Fund
✓	✓	✓	Mutual Discovery Fund
✓	✓	✓	Templeton Developing Markets Trust
✓	✓	✓	Templeton Foreign Fund
✓	✓	✓	Templeton Foreign Smaller Companies Fund
✓	✓	✓	Templeton Global Opportunities Trust
✓	✓	✓	Templeton Global Smaller Companies Fund
✓	✓	✓	Templeton Growth Fund
✓	✓	✓	Templeton International Fund
✓	✓	✓	Templeton Latin America Fund
✓	✓	✓	Templeton Pacific Growth Fund
✓	✓	✓	Templeton World Fund

### Global Growth & Income

Class			Name of Fund
A	B	C	
✓	✓	✓	Franklin Global Communications Fund
✓	✓	✓	Mutual European Fund
✓	✓	✓	Templeton Global Bond Fund

### Growth

Class			Name of Fund
A	B	C	
✓	✓	✓	Franklin Aggressive Growth Fund
✓	✓	✓	Franklin Biotechnology Discovery Fund
✓	✓	✓	Franklin Blue Chip Fund
✓	✓	✓	Franklin California Growth Fund
✓	✓	✓	Franklin DynaTech Fund
✓	✓	✓	Franklin Gold and Precious Metals Fund <sup>3</sup>
✓	✓	✓	Franklin Growth Fund
✓	✓	✓	Franklin Large Cap Growth Fund
✓	✓	✓	Franklin Small Cap Growth Fund I <sup>4</sup>
✓	✓	✓	Franklin Small Cap Growth Fund II
✓	✓	✓	Franklin Technology Fund

### Growth & Income

Class			Name of Fund
A	B	C	
✓	✓	✓	Franklin Balance Sheet Investment Fund
✓	✓	✓	Franklin Convertible Securities Fund
✓	✓	✓	Franklin Equity Income Fund
✓	✓	✓	Franklin Growth and Income Fund <sup>5</sup>
✓	✓	✓	Franklin Income Fund
✓	✓	✓	Franklin MicroCap Value Fund
✓	✓	✓	Franklin Natural Resources Fund
✓	✓	✓	Franklin Real Estate Securities Fund
✓	✓	✓	Franklin Rising Dividends Fund
✓	✓	✓	Franklin Utilities Fund
✓	✓	✓	Franklin Value Fund
✓	✓	✓	Mutual Beacon Fund
✓	✓	✓	Mutual Financial Services Fund
✓	✓	✓	Mutual Qualified Fund
✓	✓	✓	Mutual Shares Fund

#### Fund Allocator Series

✓	✓	✓	Franklin Templeton Conservative Target Fund
✓	✓	✓	Franklin Templeton Moderate Target Fund
✓	✓	✓	Franklin Templeton Growth Target Fund

### Income

Class			Name of Fund
A	B	C	
✓	✓	✓	Franklin Adjustable U.S. Government Securities Fund
✓	✓	✓	Franklin's AGE High Income Fund
✓	✓	✓	Franklin Total Return Fund
✓	✓	✓	Franklin Floating Rate Trust <sup>6</sup>
✓	✓	✓	Franklin Short-Intermediate U.S. Government Securities Fund
✓	✓	✓	Franklin Strategic Income Fund
✓	✓	✓	Franklin U.S. Government Securities Fund
✓	✓	✓	Franklin Federal Money Fund <sup>7</sup>
✓	✓	✓	Franklin Money Fund <sup>7</sup>

3. Prior to April 10, 2000, the fund's name was Franklin Gold Fund.

4. Prior to May 1, 2000, the fund's name was Franklin Small Cap Growth Fund.

5. Prior to August 10, 2000, the fund's name was Franklin Equity Fund.

6. The fund is a continuously offered closed-end fund. Shares may be purchased daily and there is no daily redemption; instead, the fund intends to make quarterly tender offers for 5%-25% of the outstanding shares.

7. You do not need to designate a share class on the application for these funds.